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INTERESTING

SUGGESTIONS

TO

PROPRIETORS *and* TRUSTEES of ESTATES,

RESPECTING THE

Land-Tax Sale and Redemption Act.

CARPE DIEM. *Hor.*

BY SIMEON POPE.

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1875

SUGGESTIONS

OF

PROFESSORS OF THE ARTS AND SCIENCES

IN THE

UNIVERSITY OF CALIFORNIA

AND

THE UNIVERSITY OF

THE STATE OF CALIFORNIA

AND

THE UNIVERSITY OF

THE STATE OF CALIFORNIA

ADVERTISEMENT.

Although Stocks have risen, since the very short publication of this little work, nearly two per cent., it is, nevertheless, not deemed expedient, in this edition, to vary from the first calculations. A Table is, however, subjoined, shewing the Rates of REDEMPTION and PURCHASE, according to the different Prices of Consols up to 60l.

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INTERESTING
SUGGESTIONS,

&c., &c.

Aug. 23, 1798.

THE present act of parliament for redeeming the Land Tax throughout the kingdom, whether considered from its extent of operation, the immense interest it embraces, or the great benefits, if early sought, which it presents to no less a description of the community than the entire landed proprietors of Great Britain, may unquestionably be pronounced, and as certainly be experienced, one of the most important in the annals of this country.

Though such must appear, to every attentive reader of the bill, to be its strong characteristic features, and also that its effective powers are making hasty progress towards the periods of their ultimate action; yet does the bill seem regarded with such a torpitude, in general, by those whom it so very materially concerns, as is wholly irreconcilable to that interest which commonly governs mankind. Whether this impolitic and imprudent indifference springs from public attention being absorbed in the affairs of Ireland, *Buonaparte's* expedition, or any other cause at issue of national consequence, I cannot say. I would rather be inclined to attribute such a seeming apathy in the great and opulent body of proprietors of estates to an inadequate *publicity*, from the proper department, of so extensive and momentous a law; and the more so, as it is no unfrequent matter, even since the passing of the act, to hear several men of landed property asking opinions, whether the Redemption

Land-Tax Bill is likely or not to be carried in Parliament.

But whether from want of a sufficient publicity of the bill, or from an imprudent inattention to its powers, or any other cause, the apparent indifference of the public to its operation is to be ascribed, certain it is, that the more immediate objects of the act, comprehending, as above observed, all the landed proprietors in the kingdom, are at this moment risking the fairest opportunity, most probably, that will ever occur, of participating the very considerable advantages presented by the bill. Or, in other words, that a procrastination of their attention to the provisions of the act, will assuredly be attended with a proportionate diminution of benefit; and that if such delay exceed the prescribed periods, every advantage whatever, that might previously be embraced, will be irrevocably lost.

I humbly trust, therefore, that the matter

of the few following pages will not be without its use ; inasmuch as it is intended to render a truly important law more generally known, and to excite a more lively attention towards its no less important advantages than what appears to be at present manifested by the principal objects of the Bill. Let us, then, concisely view the advantageous situation in which every land proprietor is placed under the act.

1st. Every possessor of estates hath a right, in preference to all others, to *redeem* the *Land Tax* charged thereon, by transferring stocks, (the quality and amount of which shall be hereafter noticed) to the commissioners for the reduction of the national debt. The act, indeed, holds out various advantages to different descriptions of proprietors of land ; but let it suffice for the present to observe, that it is most decidedly beneficial to the *actual possessors* of estates.

2dly. The terms of such redemption to land proprietors are ten per cent. below those by which *third* persons, (as they are termed in the act) can *purchase* land tax.

3dly. The time allowed to proprietors of estates for the performance of their contract to redeem their Land Tax, is FOUR YEARS —whereas *purchasers* are allowed but one.

4thly. Land possessors, on depositing an installment of one *sixteenth* part only of their redemption contract, have their estate thenceforth wholly FREED and EXONERATED from the Land Tax charged thereon, and from all *further assessment* thereof; (vide Act. p. 569.) whereas, if such proprietors neglect to redeem, and suffer third men to *purchase*, in this case their estate becomes neither exonerated from Land Tax, nor freed from future assessment, but liable to a surcharge. Nevertheless, it should here be noted, that the redeemer has the option of becoming entitled

to every privilege of a purchaser, and continue to be assessed, with a view to take advantage of any future abatement.

From this prominent situation of preference and superior advantage to induce proprietors of estates to *redeem* their Land Tax, let us now shortly advert to the terms of effecting it.—This, (as the Act states, page 565.)

“ shall be by the transfer to the aforesaid
 “ commissioners of so much capital stock of
 “ public annuities, commonly called the three
 “ pounds per centum consolidated annuities,
 “ and three pounds per centum reduced an-
 “ nuities, as will yield an annuity or divi-
 “ dend exceeding the amount of the Land
 “ Tax so to be redeemed by one tenth part
 “ thereof.”

For instance—suppose you wish to redeem 20*l.* Land Tax—to effect this you must transfer such a sum of the *three per cents.* as will produce 22*l.* interest thereon, the additional

two pounds being the one *tenth*, exceeding (as above required by the act) the Land Tax sum of Twenty Pounds. Now, of the capital stock, this would demand the sum of 733l. 6s. 8d.; but the present price of the *consols* and *reduced* (taking both without the dividend) being but about 48l. 10s. * will, of course, require only the sum of 355l. 13s. 4d. wherewith to purchase sufficient of the three per cent. stocks for redeeming 20l. Land Tax; which every intelligent reader must perceive is equal to the liquidation of a debt of 400l. and, consequently, a saving of eleven per cent. to such land redeemer.

The foregoing benefits and advantages, being thus indisputably in favor, more especially of every description of Land Proprietors, it is not easy to imagine what motives can possibly operate with them, for neglecting to redeem their Land Tax at a moment when the price

* Vide Tables of Rate of *Redemption* and *Purchase*, corresponding with the different Prices of Stock, p. 28.

of stocks is so considerably in their favour. The remissness cannot surely spring from an expectation that the *three per cents.* will be lower than 48l. 10s. ! To this state they kept up even at the most gloomy periods of the present war—when an extensive and alarming mutiny was unhappily experienced in the navy—when our inveterate foe, threatening destruction to these kingdoms, was active, throughout their coasts, for making an invasion—when a tremendous rebellion broke out in Ireland—and while, last year, the loyalty loan of eighteen millions pressed so heavy on the market, another loan for sixteen millions followed close on its heels.

If with this combination of alarming circumstances, the stocks sunk not under ; or, in other words, kept up to the present price, what must the prospect before us be but that of a speedy rise on the funds in general, since the above causes of their depression are rapidly ceasing to exist !—for, our brave tars have so

cordially returned to their duty as to have since achieved the most splendid renown, completely crippled the Dutch and Spanish fleets—are now blocking up their ports—the *Hero of Italy* flying before an inferior naval force—the Irish rebellion is crushed, and the deluded insurgents crowding to the royal standard of mercy, on their return to peace, order, and loyalty. In short, such is the external and internal defence of our country, that we may exultingly and justly exclaim with our immortal Bard,

O noble English ! that could entertain
 With half their forces, the full pride of France,
 And let another half stand laughing by,
 All out of work !——

But instead of urging arguments against a *greater depression* of the stocks, which is in fact militating with a bugbear, various and numerous are the reasons, no less clear than substantial, why to a moral certainty almost they must speedily be 10 per cent. above their present price, viz.

1. The gasconade of an invasion, though at first causing some partial alarm, is now become a general theme, even with the most apprehensive, of derision and contempt: for if the *Grand Nation* could not effect a landing at *the little spot of St. Marcou*, within sight of their own shore, how very, very improbable that they should dare, much less succeed in the attempt, to assail the white cliffs of Albion, defended as they are with the most tremendous navy and army that ever the Genius of England smiled on!

2. The *scarcity of specie*, originally occasioned by invasion-alarms—magnified by internal foes, is now no more. The amount of gold, in the cells of the Bank, it is well known, surpasses at this moment *that* of any former period in her annals. Nor is it less notorious, that there is now in actual circulation more coin than has heretofore been experienced in this country. To this also may be added, that immense quantities of *bullion*

continue to be imported, in consequence of the exchange being so greatly in favour of England—circumstances that combine to demonstrate a momentous increase of national importance, strength, wealth, and security to the stock-holder.

3. The frequent arrivals, crowned with safety and success, of our East and West India fleets—pouring wealth, to an incalculable amount, into the lap of the nation, for the enrichment of an immensity of individuals, and the prosperity of the revenue, and consequent support of the state.

4. The product of the Taxes are, in general, such as to cause an overflow in the sinking fund, far exceeding the most sanguine expectation.

5. The present year's loan, which is already nearly paid—2,300,000*l.* being wanted only to complete the whole sum of SEVEN-

TEEN MILLIONS—a circumstance unprecedented, even in cases of much smaller loans, at so early a period as its *fifth* installment.

6. The rapid progress of the national-debt redemption-system—upwards of THIRTY-THREE millions having been already redeemed by the Commissioners, and who, in a few weeks, will begin to purchase above 60,000l. per day, and consequently take above 3,000,000 of stocks out of the market before Christmas.

7. The immense dividends, which quarterly swell the circulation. Thus, while the present Midsummer dividend is already found to operate on the fund-market, and before its full effect can be experienced, is ANOTHER equally immense, so early in view as the beginning of October, and foreboding, from the magnitude of the demand it must create, a considerable rise in the funds.

8. The system of the Land-Tax redemption, from the great advantages it holds out

to landed proprietors; and, of course, its operation on the funds is alone sufficient to raise them ten per cent. This advancement will hardly be controverted, when it is considered that near EIGHTY MILLIONS of the *three per cents.* may be wanted for the purpose. Indeed of such immense promise and concern is this matter already estimated, that the Bank Directors, it is reported, have ordered an office to be opened, and engaged 70 extra clerks, merely for transacting the Redemption and Purchase Transfers.

9. Since the whole operative wealth and property of the kingdom stand pledged as a security for the funds, why should that *best of all securities* be below *par*, in point of *interest*, with inferior securities, such as bonds, bills, and mortgages?—that is to say, why should the *three per cents.* (and the other stocks in proportion,) be sold under 60l.?

When all these reasons for a rise of

of stocks, and points of recurrent welfare are duly weighed, and dispassionately considered, how can it possibly be supposed but that the *three per cents.* will speedily lift their heads as high as the rest of the funds, which have lately risen from eight to twelve per cent?—But, exclusive of these important matters, (numerous as they are,) there are other considerations, founded on rational and strong probability, that should co-operate to effect a rise of stock. From every present complexion of public affairs, it may forcibly be presumed, that the French Rulers, on finding their inability to make any internal impresson on this country, will, ere long, seriously turn their thoughts to propofals of peace. Nor with less probability may it be presumed, that the Continental Sovereign Princes, seeing so clearly, as they now must do, the determined and avowed system of the *Gallic Directory* to pull down thrones, and revolutionize, or rather *confusionize*, the whole world, will at length rouse from their stupor,

forget their jarring interests and ill-grounded jealousies of each other, and once more combine to crush that hydra of Republicanism which hath already scattered such desolation among mankind.

From the foregoing considerations, and others that could be urged, can the land proprietor perceive no probability of a speedy rise of stocks? or rather, can he discover no risk in delaying to redeem his land by purchasing stock so low as 48l. 10s.?—for let him keep this point steadily in his view, that if the *three per cents.* should rise but a *very few pounds* only above their present price, he will be utterly disabled from redeeming at all, or at least to any advantage—and he may then remember with regret, the very emphatical and admonitory expression of the Roman poet, the motto of the title page: “*Carpe Diem.*”

But possibly landed proprietors may pre-

fume they run no risk from delay of having their land tax purchased under the act, since *third persons* must purchase the produce of 20l. per annum land tax, with stock yielding 24l. per annum. But in answer to this, it is obvious to common observation, that the annuities arising from the Land Tax, will ever be deemed desirable, inasmuch as they possess two properties of special moment ;—the one a *security* superior to land, as issuing from an *inconsiderable charge* on valuable estates ;—the other, the *convenience* of easy transfer, being equal on this ground to the funds themselves, since the *contract* of purchase is saleable, without requiring either *deed of conveyance* or *stamp*, by mere indorsement only.

It is moreover not unlikely, that monied men, already speculating on the business, have invested, and still do invest, money in the funds, at the present low price, with a view of exchanging the securities for the purchase of land tax in March next. Now, as from

various grounds before stated, (with or without any fortuitous event,) the funds must necessarily be considerably higher by that time, they could then better afford to transfer 800l. of stocks, for 20l. land tax, than the *wavering* proprietor could transfer 733l. 6s. 8d.; being necessitated to buy stock, at that time, eight or ten per cent., most probably, above the present price; whilst the 800l. purchased at this time would stand the *third person* at only 388l., which he then exchanges for the best landed security of 20l. per annum, at 19 years purchase.

Should a reason be advanced for not embracing the benefits of the act on the ground that landed proprietors are not *monied men*, variety of ways and means occur to obviate the objection. First, it would be a good sacrifice to sell a small portion of an estate, to a great advantage, in order to redeem the Land Tax of the whole. A man may sell a small proportion of land at from

25 to 33 years purchase, to redeem his Land Tax at *eighteen*. Next, the *redeemer* of his own Land Tax has the option, as before intimated, of claiming the privileges of a *purchaser*; a material one of which is a power to assign the *certificate* or *contract* of purchase, as a *security* for the money raised for that end—or, he may borrow money thereon, the security being more substantial in fact, and, consequently, more eligible than either bond or mortgage.

Again—The consolidated and reduced *scrips*, now on the markets, present a still more easy mode to land proprietors, of accomplishing means to redeem. These may be held light, as monied men would lend within a few pounds per cent. of their value thereon, by which the landholder could secure to himself, at the present low price of stocks, as much of the three per cents. as he stands in need of, for redeeming his Land Tax, on a trivial deposit; particularly at a time when money is

so plenty, that good bills are currently discounted at $4\frac{1}{2}$ per cent. But the facility of these means is not its entire recommendation. It opens a very lucrative speculation; for should stocks fall between this and Christmas, the *scrip* may be transferred, as the act directs, into the name of the commissioners—but should they rise, an event, from the now general complexion of British politics, well nigh certain, the land proprietor may then dispose of his *scrip* at an advanced price, not less, very probably, than five per cent. above the present price.

But another mode, and that of no small consequence, still presents itself to proprietors of estates, whereby to effect a redemption of their Land Tax. Allowing they have not the means, at this moment, of procuring money to purchase stock, they can nevertheless obviate this inconvenience, by giving their bankers orders to purchase, for *time*, a certain portion of the three per cents.—For instance,

they may now buy *consols*, for October, at $\frac{1}{4}$ *per cent.* above the present price ; this, obviously, insures them, until that period at least, against the sudden rise of stocks. Upon the same principle they may purchase *scrip*, for the *September payment*, on still easier terms, by which period, they would probably be enabled to raise the money.

But the proprietors of estates, perhaps, will say, granting the justness of all the foregoing statements, the act, nevertheless, allows us till the 25th of December next to make up our minds on the subject.—True—but the observation is founded on extreme risk, and therefore do I earnestly request the most serious attention of all (who have it in any degree of contemplation to redeem their Land Tax) to the following considerations.—The entire redemption of the present Land Tax is capable of creating a demand for EIGHTY MILLIONS of stock. By Christmas next, all the landholders, or half of them, or a quarter part, may find it expedient to fulfill

the purposes of the act. Now, if but a fourth part redeem, it will create a demand for twenty millions of capital stock—nay, to bring the argument within a moral certainty of the least number, I will suppose that but one *eighth* part only of proprietors of estates will purchase stock for the redemption of their Land Tax.—Even this very—very subordinate and improbable calculation will demand ten millions of stock—and ten millions would be alone sufficient, long before Christmas next, to raise the market at least *five per cent. on the stocks*, making a difference of TEN PER CENT. in money, a circumstance that most manifestly will put it beyond the reach of any land-proprietor to redeem, who shall so incautiously delay “to make up his mind on the subject,” until the aforesaid period limited by the act.

But *procrastinators*, willing to take any ground, however untenable, may still attempt to hold out by advancing—that by next Christmas Government may have occasion

for another loan. The consideration, however, of the very liberal price at which the subscribers took the last loan in April, must preclude every supposition of so flagrant an act of injustice in any minister, as that of issuing another loan, before the present one is disposed of.—But the fact is, that the combined productiveness of the assessed taxes, voluntary contributions, customs, and every other branch of the revenue, scouts all necessity for another loan before March or April, even granting that the war may still continue to that period.

Much more probable are the suppositions, from the flattering aspect of present appearances, that news of victories, so decisive, may soon arrive, as to induce an overture from the enemy for peace. But whether the enemy may thus sue or not, the very event of an increase of victories on our part, by debilitating the foe, and thereby adding security to ourselves, must be of itself sufficient

very materially to raise the stocks. And how much, in consequence, proprietors of estates would be incapacitated from redeeming their Land Tax at all, ought to be a subject to them of weighty and serious consideration.

The dangers, then, of *delay*, by not embracing the advantages of the act now under discussion, must surely be no less apparent than that they are great and numerous. How far, therefore, landed proprietors in general will be able to reconcile, on a ground of justice towards themselves, and duty to their respective families, heirs, &c. the neglect of redeeming their Land Tax, is submitted to their feelings. But this justice and duty rest not merely with proprietors, individually speaking, of estates. The Act, moreover, in a collective sense, presents to an expansive field of propriety in landed property, the same opportunity and the same benefits, viz. to “ all bodies politic, corporate, or collegiate---to all guilds, mysteries, fraternities,

“ or brotherhoods, whether corporate or not
 “ corporate---to all committees and curators
 “ of lunatics or of idiots---and to all tutors
 “ and guardians of infants, and to all persons
 “ having authority to act for married wo-
 “ men, and other persons incapable of acting
 “ for themselves.”--- (vide Act, page 565.)

On all and every description of these proprietors, custodees and guardians of estates, is there an incumbent duty to seize the best and earliest opportunity of exonerating them from Land Tax. To neglect the *redemption* entirely will be difficult, I imagine, to reconcile with any principle of relative justice, or of a reposed trust.—Besides, when it is considered how many estates are under-rated, (of which proprietors, trustees, &c. must be conscious,) will they deem it no duty—no act of prudence to shield such estates against new assessments and surcharges, by redeeming their Land Tax on the very liberal terms held out by the act?

In the offset of this little production I sug-

gested, that there had not been, perhaps, a *publicity* of the act for redeeming the Land Tax, adequate to the great interest, extent, and importance of the subject. I will conclude, therefore, these pages, by presuming to submit the few following observations to the higher powers.

That the act might have the due effect intended by the legislature, and which doubtless Government has considerably at heart, I humbly conceive it would be necessary, for the ends of greater publicity, &c. to have a much more ostensible situation for transacting the business than at the various departments. The operation of the act for the *support of public credit*, and the annuity of either 10 or 20 per cent. on 2,000,000, producing from 2 to 400,000l. per ann. are objects of great moment; and as such, merit every aid, from extensive promulgation and otherwise, that can promote their efficiency. For this purpose I beg leave to recommend, that a public

office be established in the vicinity of the Royal Exchange, having, in the most ostensible characters, this inscription :

*The Land-Tax Redemption and
Purchase Office.*

Here let the important business be transacted---this being the great and daily resort of the opulent and intelligent---the focus of every species of money attraction---and the commercial emporium, in short, of the metropolis. That such an office would be well attended I have little doubt, since the *purchase* business under the act is alone sufficient, to say nothing of various other inducements, considerably to attract ; for as the *purchase* receipt, certificate, or contract, is negotiable, and may therefore circulate extensively by mere indorsement, it of course opens no small field of speculation. Besides, these indorsed contracts would necessarily fluctuate according to the demands for them, and the value, according to the

times, of money. Hence it is by no means unlikely, but that a set of monied men would daily meet at such office, (as they do at the Bank, South Sea, and India Houses) regularly to deal in the business. Such an Office, moreover, from being situated in the very heart of the city, the grand source of money circulation, must prove superiorly advantageous for all sales and auctions under the act.

In a word, it is a concern no less momentous to an infinity of individuals throughout the nation than to Government, that the most early, ostensible, and effectual means should be adopted for carrying so salutary an act into execution. Its extensive benefits neither reason nor candor will dispute—its justice stands on the fair base of equitable preference to proprietors of estates---and of open dealing to the whole kingdom, should that preference be rejected or forfeited---and its utility will be experienced for ages.

TABLE

*Of Rate of REDEMPTION corresponding with
the different Prices of Stocks.*

<i>No. of Years Purchase.</i>	<i>Equivalent to 3 per Cent. at</i>	<i>Interest of Money laid out.</i>		
		<i>£.</i>	<i>s.</i>	<i>d.</i>
17	$46\frac{3}{8}$	5	17	$7\frac{3}{4}$
18	$49\frac{1}{8}$	5	11	1
19	$51\frac{7}{8}$	5	5	3
20	$54\frac{1}{2}$	5	0	0
21	$57\frac{1}{4}$	4	15	$2\frac{3}{4}$
22	60	4	10	11

TABLE

*Of Rate of PURCHASE corresponding with
different Prices of Stock.*

<i>No. of Years Purchase.</i>	<i>Equivalent to 3 per Cent. at</i>	<i>Interest of Money laid out.</i>		
19	$47\frac{1}{2}$	5	5	3
20	50	5	0	0
21	$52\frac{1}{2}$	4	15	$2\frac{1}{2}$
22	55	4	10	$11\frac{3}{4}$
23	$57\frac{1}{2}$	4	6	$11\frac{1}{2}$
24	60	4	3	4